

Monthly Economic News You Can Use

October 2006 Data

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National/State News

The not-seasonally adjusted national unemployment rate for October was 4.1, down from 4.4 percent in September and 4.6 percent for October 2005. From September to October not-seasonally-adjusted non-farm employment increased by 712,000 to 136,738,000. The majority of the seasonal job gains were reported in state government, education and health services, retail trade, and professional and business services. Seasonal job losses occurred in leisure and hospitality services, and construction.

Maine's not-seasonally-adjusted unemployment rate for October was 4.2 percent, up from 4.1 percent for September and down from 4.4 percent for October 2005. Not-seasonally-adjusted nonfarm wage and salary jobs in Maine declined by 1,900 between September and October. The largest job loss was recorded in leisure and hospitality services as tourist-related activities subsided from the summer peak. Seasonal gains in local government education, private educational services, and retail trade partially offset job losses.

Summary for Western District

Jobless rates increased very slightly in three of five labor market areas in October. The October/September local Labor Market Area unemployment rates were as follows: Brunswick 3.9% from 3.6% ; Lewiston-Auburn MSA 4.4% from 4.3%; Farmington unchanged at 5.1%; Bridgton-Paris 5.2% from 4.8%; and Rumford 6.8.% from 7.0%. Most areas reported seasonal layoffs in construction. Some areas experienced layoffs in accommodation and food services. The Bridgton-Paris area suffered layoffs in modular home building in addition to seasonal job losses.

Detailed analysis for each Labor Market Area follows in alphabetical order.

Bridgton-Paris LMA

Area Definition

The Bridgton-Paris Labor Market Area is comprised of Bridgton, Harrison, Norway, Otisfield, Oxford, Paris, Stoneham, Waterford, West Paris, and South Oxford unorganized territories including Albany and Mason townships and Batchelder's Grant. Records go back to January 2000.

Civilian Labor Force Trends*

	October 2006	September 2006	October 2005
Civilian Labor Force	14,210	14,210	14,070
Residents Employed	13,470	13,530	13,350
Unemployment	740	680	720
Unemployment Rate	5.2%	4.8%	5.1%

*Numbers may not add due to rounding

The local jobless rate increased from 4.8 percent in September to 5.2 percent in October. Waterford Homes closed and Oxford Homes experienced a layoff. Resident employment (those people who lived in

the area and worked anywhere) fell by 60 to 13,470 while unemployment increased by 60 to 780. More unemployment claims were filed from construction, manufacturing, and accommodation and food services. Seasonal job losses occurred in leisure and hospitality services.

Last year in October, 120 fewer residents were employed and 20 fewer residents were unemployed and the jobless rate was slightly lower at 5.1 percent.

The highest monthly unemployment rate recorded here since January 2000 was 7.0 percent in February 2006 and the lowest was 2.5 percent in August 2000.

The highest October unemployment rate recorded in this area was 5.3 percent in 2003. The lowest October rate was 3.1 percent in 2000.

Characteristics of the Insured Unemployed

The local area characteristics of the insured unemployed (number of weeks compensated for those people collecting state unemployment checks) in October 2006 revealed that 26 percent of the claimants were separated from manufacturing, 23 percent from construction, and 17 percent were from retail trade. Sixty-eight percent of the claimants were male compared to 58 percent last month. As far as family responsibility, 62 percent were the primary wage earners for their families, 24 percent lived alone, and 14 percent were secondary wage earners. Fifty-three percent of the claimants had high school educations and 27 percent had post-secondary educations. Sixty-nine percent of the claimants said they were on a temporary layoff, 21 percent left their jobs voluntarily, and 10 percent said they were on permanent layoff. Eight percent were veterans compared to 9 percent in September.

Firm Update

Closings/layoffs (past 12 months)

Over-the-year layoffs occurred in modular home building, restaurants, and social services.

TD Banknorth closed its Maine Street branch office in South Paris on November 4, 2005. Services and jobs were consolidated at the bank's Route 26 branch in Oxford.

Hancock Lumber closed its store in South Paris at the end December. Fifteen employees were transferred to other job sites.

Oxford Networks closed its business office in Buckfield. The five people who worked at the former corporate office were transferred to the company's Norway and Lewiston offices.

Lo'Macks Family Restaurant on Route 26 in Oxford closed on January 28, 2006 with 20 layoffs.

Wendy's Restaurant in Norway closed on April 28 and 27 employees lost their jobs.

Oxford Homes laid off 26 workers in October. (Sun-Journal and Advertiser-Democrat both on 10-4-06)

Waterford Homes, a high-end housing manufacturer, closed at the end of September according a story in the Advertiser-Democrat in Norway on 11-9-06.

Expansions (past 12 months)

Over-the-year job expansions included: Hannaford Brothers in Bridgton; the Progress Center in Norway; Wal-Mart, CCS, Dollar Tree Store, and Western Maine Public Safety Supply in Oxford.

L.L. Bean reopened its seasonal call center in Oxford in the Schiavi building on Route 26 for the November and December 2006 holiday sales period. More than 200 people were employed over the past two years.

Bridgton Academy built a new Humanities Center that was completed in May 2006.

Keiser Industries of Oxford has teamed up with **Oxford Homes** to land a \$4 million contract to build 21 buildings for an affordable housing condominium complex on Martha's Vineyard for the Massachusetts Housing Authority. The work is expected to last from July to December.

A new **Dollar Tree Store** opened a new 12,000 square-foot space in the Oxford Shopping Center in July.

CCS in Oxford is adding 25 jobs at its financial outsourcing company on Route 26.

Western Maine Public Safety Supply Inc. opened a new retail store in October on Route 26 in Oxford selling uniforms to health care and public safety professionals.

Future Economic Development Projects

The **Town of Norway** formed an ad hoc group of citizens and town officials to discuss potential downtown revitalization project plans and spend \$300,000 of available Community Development Block Grant money. In April 2006 community leaders decided the money should be spent to create a park behind the Oddfellows building on Main Street and the Pennesseewassee Stream.

The Growth Council of Oxford Hills aka EnterpriseMaine sold the former **C.B. Cummings** dowel mill in Norway to the Libra Foundation in September 2005. The Libra Foundation wants to build condos and townhouses. The mill closed in 2002. Libra said they would buy the 4.5 acre site for \$300,000 and the surrounding 3.5 acres of abutting wetlands. Norway Properties Inc. (a for-profit division of The Libra Foundation) presented a general redevelopment plan to the Norway Planning Board on December 8, 2005. The demolition of 15 buildings and environmental cleanup was completed in May 2006. The proposed \$7 million redevelopment project includes building three 6,000 square-foot commercial buildings, 75 parking spaces, and 18 condominium units in three multi-family townhouses. A public hearing on the project was held on June 22.

The U.S. Economic Development Administration awarded \$2 million to **Western Maine Development** to build the infrastructure leading into the Western Maine Technology Park in Norway. The 161-acre site off the Roberts Road is a cooperative project that includes Norway, Oxford, Paris, Harrison, Otisfield, and Waterford. According to former Enterprise-Maine CEO Brett Doney, thirty-eight acres will be developed with the remaining land placed in a conservation easement. Norway will get the first 30 cents for every dollar of tax revenue and the remaining towns will get a ratio of what they invested. Plans call for a 104,000 square-foot green building to be built with a 180,000 square-feet of office space with a lodge, meeting rooms, a restaurant and a spa. The layout will include 13 smaller linked buildings. Targeted businesses for future development include call centers, software designers, architects, pharmaceutical companies, medical offices, and maybe some light manufacturing. The park could attract up to 500 jobs over the next 10 years.

Tim Horton's will open a new restaurant at the former Wendy's in Norway.

L.L. Bean signed a five-year lease to run a temporary seasonal call center in the Schiavi building on Route 26 in Oxford. The company has successfully operated an 8-week per year operation there since 2004 employing between 200-300 workers in November and December.

Norway Savings Bank plans to move from its present Main Street location in Norway to the former Aubuchon and J.J. Newberry buildings in early 2007.

A new **Lowe's Home Improvement Store** may be coming to Oxford-Norway. According to a story published in the Advertiser-Democrat on November 2, developer Bob Bahre said on October 30 that Lowe's is planning to build an 112,649 square-foot store on Route 26 on the Oxford-Norway town lines that would employ 150. An attached 24,941 square-foot garden center will also be built. If both Planning Boards approve the plan the proposed store could open in the fall of 2007.

The Oddfellows Hall in Norway was sold to Rick Lockwood of Gorham for \$150,000. The new owner plans to develop the property into a retail store, office space, and an Italian restaurant. (Advertiser-Democrat 11-9-06)

Brunswick LMA

Area Definition

The Brunswick LMA includes Brunswick, Harpswell, Dresden, Westport, Wiscasset, Arrowsic, Bath, Bowdoin, Bowdoinham, Georgetown, Perkins unorganized, Phippsburg, Richmond, Topsham, West Bath and Woolwich.

Civilian Labor Force Trends

	October 2006	September 2006	October 2005
Civilian Labor Force	34,880	34,890	34,860
Residents Employed	33,520	33,620	33,420
Unemployment	1,350	1,270	1,450
Unemployment Rate	3.9%	3.6%	4.2%

The unemployment rate in the Brunswick LMA increased from 3.6 percent in September to 3.9 percent in October mostly due to seasonal job losses in leisure and hospitality services. Between September and October resident employment fell by 100 to 33,520, while unemployment increased by 80 to 1,350. More unemployment claims were filed in construction and administrative services. The Atrium Inn in Brunswick closed.

The Maine Department of Labor started keeping labor stats on the Brunswick Area in 1970. The lowest monthly rate ever recorded was 1.3 percent in July 1988. The highest rate ever recorded was 11.8 percent in January 1976.

The lowest October unemployment rate ever recorded in the Brunswick Area was 1.7 percent in 1988. The highest October unemployment rate was 9.1 percent in 1976.

The local unemployment rate was higher last October. Last year 100 fewer residents were employed and 100 more residents were unemployed and the unemployment rate was higher at 4.2 percent. The local economy has created new jobs at new and existing firms in retail trade and services offsetting job losses in shipbuilding manufacturing.

Characteristics of the Insured Unemployed

A sample distribution of insured claimants (number of weeks compensated for those people collecting state unemployment checks) in October 2006 revealed that 18 percent of the insured claimants were separated from retail trade, 16 percent from manufacturing, and 10 percent were from construction. Fifty-three percent of the claimants were male. In terms of family responsibility, 58 percent said they were on a temporary layoff, 24 percent were secondary wage earners, and 18 percent lived alone. **Claimants in this**

area are very well educated. Forty-five percent had a high school education and 43 percent had some post-secondary education. Sixteen percent of the insured claimants were veterans compared to 13 percent last month.

Firm Update

Closings/layoffs (past 12 months)

Fewer people were employed in shipbuilding, and transportation and warehousing.

The Atrium Inn and Convention Center in Brunswick closed in October 2006 and 32 workers lost their jobs. The uncertainty over the BNAS Base closing was cited as the primary reason. **Richmond News** closed in downtown Richmond in September. **Woolwich Chevrolet** closed displacing 16 workers. **Northern Mattress and Furniture** is going out of business in Brunswick.

Bath Iron Works--U.S. Senator Susan Collins expressed her concern to Navy Admiral Vern Clark on April 1, 2004 citing that the Navy was not planning to build enough ships late in the decade. The Navy stopped procuring DDG-51 destroyers after 2005 when it switches to the DD(X) program. Senator Collins said the Navy's plans to fund only four DD (X) ships between 2006 and 2008 would not be enough to sustain work at both BIW and Ingalls. Senator Collins said she would try to persuade Congress and the Navy to procure additional destroyers in 2006 in order to fill a **production gap in 2006 as BIW begins the DD(X) program in 2007.**

BIW laid off 17 welders and 10 pipefitters in October 2005. On October 14, 2005, General Dynamics Corp. announced it awarded BIW a \$223 million contract. BIW will manage and do detail design work on Littoral Combat Ships. But the construction work will be done by BIW partner Austal USA in Mobile, Alabama.

On December 22, 2005, Congress passed a defense bill that placed a per ship cost cap of \$2.3 billion for building future DD (X) Navy destroyer ships. It also included \$1.1 billion for research and development and \$716 million for advanced procurement funds to begin building the first DD(X). BIW will receive \$50 million for the DD(X) program to modernize the destroyers to reduce crew size.

In January 2006 the Yard announced it was awarded \$63.7 million in navy funding for planning, design and material support services for the DDG-51 and FFG-7 class warships. This will provide the design department with plenty of work. Officials said every designer who had been laid off over the past couple of years has been offered his or her job back. About 75 new positions were added.

Lockheed Martin won a \$57 million navy contract for the installation, integration and testing of the Aegis Combat System used on the DDG-51 Arleigh Burke destroyers. The Navy said about 20 percent of this work will be done at Bath Iron Works until January 2007.

The Yard laid off 66 workers on January 27, 2006 which included 30 preservation technicians, 15 insulators, 12 welders, four stage builders, two yard riggers, two material clerks, and one heavy equipment operator.

Eight outside machinists were laid off on February 3. On February 6, 2006 the Navy's budget called for procuring only five DD(X) ships between 2007 and 2011. The original Navy plans had called for eight DD(X) ships. The 2007 fiscal year budget includes \$2.6 billion to build two lead DD(X) warships and \$793 million for research and development. No ships would be acquired in fiscal 2008. There would be one ship in each of 2009, 2010 and 2011. **The contract for the two lead ships will be awarded on or after October 1, 2006.**

The USS **Gridley** was launched on February 11, 2006. BIW started working on the 509-foot destroyer in September 2002. It was the 27th Arleigh Burke class destroyer to be built at the yard since 1985.

In April **BIW** was awarded a \$42 million cost-plus-award-fee modification to a previous awarded contract for design of the DD(X)/DDG-1000 program.

A cloud of uncertainty hung over the DD (X) program in May 2006 when the Senate Armed Services Committee endorsed the President's \$3.4 billion request to build two ships—one in Bath and the other in Mississippi. But the House Armed Services Committee voted to build only one ship at the Ingalls Yard in Mississippi.

BIW recalled 67 workers on June 19. They included electricians, outside riggers, outside machinists, welders, and ship fitters.

In August 2006 the Department of Defense released \$336 million to Bath Iron Works for final design work on the DDG-1000 destroyer. BIW and Ingalls will each build one DDG-1000 destroyer next year. The Pentagon is expected to release another \$78 million to BIW later this year for detailed design work. BIW was also awarded a U.S. Navy contract worth \$10.2 million toward contract work on the DDG-103, the USS Truxtun. The vessel is an Arleigh Burke destroyer. And BIW is the lead shipyard. The additional funding is to assist in the recovery from the fire sustained during construction. The work is expected to be completed in October.

In September BIW was hiring marine designers for its Brunswick facility. **The U.S. Senate** passed a new defense budget bill that would fund the construction of two DD(X) ships in fiscal 2007 and 2008. One of those ships would be built by BIW. **But the House only wants to pay for only one ship to be built at Ingalls. The House does not seem to be as supportive of the DD(X) program and wants to build fewer total ships.** Congressional negotiators however are favoring the two ship concept. The Senate bill also included \$1 million for the Personal Assistant Maintenance Application Project at the Brunswick Naval Air Station. At the end of September the House-Senate conference committee agreed to spend \$3.4 billion for two new destroyers to be built in 2007. The agreement needs to be voted on by the full House and Senate. An approval would guarantee that BIW would build one of the DDG-1000 Navy Zumwalt class destroyers, FKA the DD(X).

The 9,200 ton 509 foot USS Sampson (DDG-102) was launched on September 16. It was the first time a destroyer was christened on dry land and then moved to the adjoining dry dock for launching.

BIW received approval of a contract rezone from the Bath Planning Board and the City Council to build a 106 foot tall Ultra Hall addition to the Pre-Outfit II building. The old City height limit was 75 feet. The new tower will enable the yard to build ship units of 2,800 tons instead of 300-1,200 ton building blocks.

Thirty preservation technicians were laid off on September 22. The company announced it was laying off 28 pipe fitters and nine pipe insulators in October, but a BIW spokesperson said the yard was trying to find ways to find work for some of these workers.

The Navy announced on September 25 that it awarded BIW a \$17.9 million cost-plus—award-fee contract for post-shakedown work on the DDG-99 USS Farragut. Almost all of the work will be done at the destroyer's home port in Mayport, Florida and BIW workers will be mobilized to do repairs and upgrades.

Brunswick Naval Air Station

Over \$100 million of work was completed at the Brunswick Naval Air Station in 2004. A new \$31 million **hangar** was built by the James Gray Company. About 700 construction workers built the new facility. Other work included the completion and occupation of 198 new military homes on Route 24, a new 500-bed transient barracks, and new paving and drainage work on the 8,000 foot runway. A new \$8 million traffic control tower was constructed.

The Pentagon reviewed a proposal for a new \$42 million Armed Forces Reserve Center at BNAS. The 209,000 square-foot complex would be built to consolidate Maine National Guard units from Portland, South Portland and Westbrook. The new facility would also house the Maine Air National Guard in South Portland and the Marine Corps Reserve unit in Topsham. The proposed project would be entirely funded by the feds. It would be included in the 2007 or 2008 National Guard budget.

The Navy has a tremendous economic impact on the area and state. It employs about 4,800 military and civilian personnel with a payroll of \$115 million. BNAS owns 3,200 acres of real estate in Brunswick and Topsham. Over the past few years the base has constructed new runways, 175 new housing units and the new hangar.

A local force reassembled to try to save BNAS from a possible closure by the U.S. Defense Dept. in November 2005. The group was called the **NAS Brunswick BRAC Task Force (Base Realignment and Closure)**. The Pentagon proposed realigning NASB on May 13, 2005. This meant all three P-3 Orion squadrons (both aircraft and personnel) would be transferred to Jacksonville, Florida. The BRAC Commission held a hearing in Boston on July 6. Hundreds of people went to express their support as politicians and base closing task force reps made their case for BNAS, Portsmouth Shipyard and the DFAS Center in Limestone.

A Maine Department of Labor economic impact report on base closings in Maine was presented to the Joint Economic Forecasting Committee at the State House on June 30, 2005. The report stated "In the case of Brunswick Naval Station, 2,300 military workers there will just leave taking with them more than \$69 million in annual earnings and leaving vacant 2,000 housing units. The area could lose up to 5,000 people and cause the loss of another 2,000 jobs." **Excerpts of the Report were published in the Times Record on July 5 in a story by Reporter Victoria Wallack entitled "Bleak Economic Forecast."**

On July 19 BRAC Commissioners voted 8 to 1 to put BNAS on the base closure list. The base employs 2,700 full-time Navy personnel, 1,300 reservists and 702 civilians. The previous realignment plan had only targeted 61 civilians for layoffs. The Navy said it spends about \$211 million locally each year. **The BRAC Commissioners voted 7-2 to close the facility on August 24.** The Base is expected to close by 2011.

Community Audit and Civilian Worker Skills Transfer Analysis Reports were published in April respectively by the DETS/Coastal Counties and the Maine Department of Labor's Division of Labor Market Information Services.

The **Brunswick Local Redevelopment Authority** is now charged with finding potential future uses at the Base. The LRA hired the Matrix Design Group to study and suggest potential uses. Matrix has suggested a resort hotel, golf course and indoor water park. Matrix officials estimated that 1,155 acres of the 3,300 acres are suitable for development. Squadrons at BNAS are slated to begin transferring to other bases with the P-3 Orion fleet heading to Jacksonville, Florida.

Expansions (past 12 months)

Over-the-year job gains were reported at: Target, Wal-Mart, L.L. Bean Shoe Mfg., Harbor Technologies, Cooper Wiring, and Talbot's Clothing Store in Brunswick; Border Trust and Dick's Sporting Goods in Topsham; and Shucks Maine Lobster in Richmond.

The Town of Wiscasset bought 441 acres of Maine Yankee property off the Old Ferry Road to build a high tech industrial park. **Point East is developing a mixed use technology i.park at the former Maine Yankee nuclear power plant**, the first such development at a former nuclear power plant in the United States. **Point East** officials presented the Planning Board with its preliminary second phase plans for the **Mason Station Maritime Village** redevelopment project on January 9, 2006. The plans call for five multi-story buildings that contain 160 condominium units with 250 parking spaces. Point East received approval for its Phase One project for construction of 80 single-unit residences and a 200-slip marina. The homes will be priced from \$400,000 to more than a million. The marina will be managed by Hinckley Yachts of Southwest Harbor. Point East is a subsidiary of National RE/sources. The company specializes in taking over industrial sites and turns them into residential or commercial sites.

Developer John Wasileski is now in his eighth year of his planned 10-year expansion plan at **The Highlands** in Topsham. The 650-acre project includes conservation areas and recreation space for swimming pools, tennis courts, hiking trails, biking, cross-country skiing, and a nine-hole golf course. The adult resort community was named among America's Top 100 Best Master Planned Communities by Where to Retire Magazine. The final building plan includes 250-300 homes.

Bowdoin College officials worked on a long-range construction/expansion plan through the year 2025. Short-term plans included building two new residence halls on Coffin Street, renovation of existing residence halls, construction of a new ice arena, and demolishing Dayton Arena for parking. Other plans included the construction of a new 300-seat concert hall, renovation of the Walker Arts Building, renovation of the Stowe House and the Hawthorne-Longfellow Library. Trustees approved an \$18 million renovation of the **Walker Art Building** which was completed in the fall of 2006. College officials expect that the museum will open in May 2007.

On October 18, 2005 the Brunswick Town Council approved the sale of a 2.5 acre lot to the Brunswick Economic Development Corporation for the construction of a \$1.1 million facility for Harbor Technologies. The lot cost \$71,500. The corporation will build the facility and then turn around and rent it to owner Harbor Technologies owner Martin Grimnes for five years.

In November 2003 Lincoln and Sagadahoc County voters approved a \$24.6 million bond to construct a **new regional county jail** on a 70-acre site off Route One in Wiscasset. The Jail Authority signed a \$1.3 million contract with SMRT Inc., of Portland, for architecture and design work in April. A groundbreaking ceremony was held on May 4, 2005. Construction on the new 120-bed jail should be completed by November 1.

The **Richmond Business and Manufacturing Center** houses several new small businesses including Mid Coast Fiber, Applecourt Press, Cabin Poetry Disk Media, Maine Scientific Mfg., the Bowdoinham Federal Credit Union, Wooden Window Co., and Natural Feast. Mid Coast Fiber washes and process alpaca fleece into yarn. Maine Scientific produces electronic components used in hearing aids. Natural Feast makes wheat free pies. More than 60 people work in the building. The Town bought the building (the former Etonic Shoe plant) in 2001 for \$550,000. The old shoe plant employed 225. Shucks Maine Lobster processing plant signed a five-year lease on September 22, 2005. The company then increased its square footage lease from 8,250 to 13,670. It uses a new technology machine that removes meat whole from the lobster using a high pressure water system. The company employs 16 and will add more em-

ployees in the coming months as new contracts have been signed an agreement with Elafood which is based in Paris to export this new product to Europe and Asia.

In June 2005 Richmond residents voted to sell the **Ames Mill** on Front Street for a minimum of \$225,000. In 2006 the Richmond Board of Selectman approved 14 different properties to be included in a Pine Tree Zone application to the State. The properties include the Richmond Business and Manufacturing Center, the Exit 43 Quick Stop, Main Street Fuel, and the Hathorn block.

Wiscasset Selectman approved a waterfront site on Railroad Avenue for a possible **rail terminal as part of an effort to make Wiscasset a future coastal transportation hub for road, air, ferry, railroad, and auto travel.**

Wal-Mart's opened a new Food Center in Brunswick in October 2005.

Target built a new 124,000 square-foot retail store across from the Topsham Fair Mall. The store opened on March 1, 2006 and employs over 100.

Border Trust opened a new branch bank at 2 Maine Street in Topsham in August 2006.

The Richmond Board of Selectman agreed to sell the **Richmond Business and Manufacturing Center** on August 17th to Portland businessman David Smaha for \$350,000. He became the new owner on October 20th. The building will go on the tax rolls in 2007. Smaha said he plans to invest \$250,000 into the building which is 60 percent occupied. The company will now be known as RBMC Associates.

Talbot's Clothing opened in Brunswick on October 20th in the Merrymeeting Plaza at 147 Old Bath Road.

Dick's Sporting Goods opened a new store in Topsham at the end of October.

Future Economic Development Projects

Harbor Technologies in Brunswick is expanding. President Martin Grimnes announced on October 11, 2005 that the company would invest \$2-3 million in new equipment and create at least 40 jobs in the next few years. The company is located in the Brunswick Industrial Park. The composites company makes floating docks.

Elmhurst Inc. of Bath, a service provider to the mentally retarded, developmentally disabled, and autistic, received a \$400,000 low interest loan from the U.S. Department of Agriculture's Rural Development Project in December 2005. The loan will be added to the \$300,000 Community Development Block Grant to build a new fully accessible facility next spring.

Bruce Poliquin purchased the former **Stinson sardine factory** from Bumble Bee Seafoods LLC in Bath on March 20. But the building was destroyed by fire on May 3.

The **New BathPort condominium complex** was approved by the Bath City Council on May 24, 2006. Three separate buildings each about 61 feet high encompassing 24,000 square-feet valued at \$13.8 million will be built on the waterfront on Commercial Street and will include 24 premium condominiums, two commercial spaces, and a semi-public gallery. The condominiums should sell for \$500,000. **However a petition was taken out by concerned citizens who gathered enough signatures to put this project before voters on the November ballot. Voters approved the project 2,147-to-1,521.** (Times Record 11-8-06)

The Bath Planning Board gave developer **Catherine Davis** site plan, subdivision and historic district approval on November 7 for her proposed **waterfront condominium development** on Front Street. The plan consists of 19 condos in two-buildings. (Times Record 11-8-06)

The U.S. Department of Labor awarded the State of Maine a \$15 million federal **Workforce Innovation Regional Economic Development (WIRED) grant**. The grant will help strengthen the local economy and create jobs in the boatbuilding, composite, and marine sectors over the next three years. The program will be overseen by the newly formed North Star Alliance partnership formed by Governor Baldacci. It is made up of The Maine Department of Labor, the Department of Economic and Community Development, and the University of Maine.

Best Buy wants to build a proposed 53,400 square-foot store at 105 Topsham Fair Mall Road pending Planning Board approval.

Goodwill Store officials said they are planning to close their store on Maine Street in Brunswick and open a new larger store in the Topsham Fair Mall in November.

The former **Bath Rail Station** near Bath Iron Works may reopen next May. The City of Bath and state agencies have approved the reuse of the Maine Central Railroad Station which opened in 1941. The State Department of Transportation can now open bids for the train station work which could total around \$1 million. The new station would serve Maine Eastern Railroad passengers between Brunswick and Rockland. It could also be a big plus in attracting more development along Bath's waterfront.

BFC Marine of Bath purchased the former Woolwich Chevrolet property in September and will be featuring boats there next spring relocating from its present site on the Bath waterfront.

The **Sebasco Harbor Resort** in Phippsburg expansion plans won Planning Board approval with an expansion permit to add six suites at the Fairwinds location and to build a new spa and add up to 42 new parking spaces.

Walmart's Pharmacy received a site plan approval from the Bath Planning Board on September 19 to build a store at 11 State Road.

Bed, Bath and Beyond will be opening a new retail store in Topsham.

Mid Coast Hospital in Brunswick is planning a \$22.5 million 8,300 square-foot expansion. It will include 28 medical surgical beds and a 4,300 square-foot addition to its emergency room and a 4,000 square-foot addition to its diagnostic space. Construction is expected to start in the spring of 2008 if the State approves the plans and be completed in 2010.

Construction started began on a new 40 residential unit **Creekside Village housing project for seniors** on Baribeau Drive in Brunswick in September. It will be affordable housing for seniors whose incomes do not exceed 60 percent of the average median income. The contractor, Benchmark Construction of Westbrook, expects construction will be completed in July 2007.

JHR Development of Marblehead, Massachusetts, was chosen to begin negotiating for the development of the **Maine Street Station project** in downtown Brunswick. It is a multi-use project on downtown land that was contaminated by coal dust.

Tedford Shelter is building an apartment house for homeless people and other people with disabilities.

The eight-unit \$1.2 million building is being constructed at the corner of Everett and Middle Streets in Brunswick and will be called Everett Apartments. Most of the project costs came from the U.S. Department of Housing and the Maine State Housing Authority with the rest coming from private donations.

Governor Signs Legislation to Benefit Midcoast

May 30, 2006
Governor's Office

AUGUSTA - Governor John Baldacci today joined House Speaker John Richardson and Senate President Beth Edmonds, and Midcoast area Legislators, businesspeople and economic development directors to sign two pieces of legislation that promote economic and job growth in the Midcoast region. The bills signed – LD 1955, “An Act To Provide Emergency Regional Economic Development Assistance for Brunswick Naval Air Station” and LD 1957, “An Act To Establish the Midcoast Regional Redevelopment Authority” - create a path to new opportunities as region redevelopment efforts continue.

“As we move forward with the planning for the base re-use, it is important that we utilize every resource available to encourage new business creation in this region to mitigate the effects of the closure,” said Governor Baldacci. “The redevelopment of the Midcoast is a crucial part of my economic development plan. These kinds of strategic planning and investments – such as expanding the Pine Tree Development program – serve to expand the ability of this region and all of Maine to realize the promise of economic and job growth.”

Patterned after the successful Loring Development Authority, LD 1957, which had been signed as emergency legislation, creates the structure and function of the Midcoast Regional Redevelopment Authority. The bill established the legal entity required by the Federal Government to accept the assets of the facility and manage a locally driven process for its readjustment and reuse. The authority is entrusted with acquiring and managing the properties within the geographic boundaries of Brunswick Naval Air Station.

The bill LD 1955 establishes the Midcoast region as a Pine Tree Zone-eligible area. The new area will be called the Military Redevelopment Zone. Qualified business that develop or expand to create good paying jobs will see their tax burden reduced through a host of exemptions, reimbursements and credits. Since the Pine Tree Zone legislation became effective in 2003, 3,000 jobs across the state have been created in qualified businesses.

“The Military Redevelopment Zone will be the cornerstone of the economic redevelopment effort,” said Governor Baldacci. “With the leadership of Speaker Richardson and President Edmonds, and the support of all those gathered here, we were able to successfully pass legislation creating Military Redevelopment Zones.”

Cianbro News Release, June 7, 2006

PITTSFIELD, Maine — Cianbro Corporation was recently awarded a contract by Hornbeck Offshore Services, LLC , a subsidiary of Hornbeck Offshore Services, Inc. (NYSE: HOS) of Covington, Louisiana, to complete the retrofit and conversion of two, coastwise, sulfur tankers into U.S.-flagged, new generation, 370-foot, multi-purpose supply vessels (MPSVs). When completed, it is believed that these vessels will be the largest offshore supply vessels in the world.

With a significant contribution from its primary subcontractor, Bath Iron Works, a subsidiary of General Dynamics (NYSE: GD), Cianbro is excited to secure this offshore project, and the highly skilled jobs it requires, for Maine.

Peter Vigue, Cianbro president & CEO, said, "Maine's greatest asset is our people. Their work ethic, ingenuity, and determination are second to none. We are grateful to Hornbeck for this opportunity, which provides Maine workers the ability to export their knowledge and skill to make this project a success. The collaborative efforts of this project team will help energize and elevate Maine's visibility as a serious competitor in the global maritime construction market."

Cianbro is scheduled to receive the first vessel this month. This vessel will dock at Ricker's Wharf, Cianbro's marine facility on Cassidy Point (beside Merrill's Marine Terminal) on Portland's waterfront.

Throughout the conversion process, activities will take place at four locations: Cianbro's Ricker's Wharf marine facility, the city's Portland Ocean Terminal, Bath Iron Works' fabrication facility in Brunswick, Maine, and Bath Iron Works' main shipyard in Bath, Maine. With one vessel scheduled to be completed by mid-2007, the second vessel is scheduled to be completed by late 2007.

Dugan Shipway, president of Bath Iron Works, said, "We're very pleased Cianbro invited us to be a member of this project team. Our involvement is a direct result of the tremendous performance by the men and women of BIW on our existing Navy contracts. Their dedication, hard work, and innovative ideas are improving our processes, increasing our efficiency and making it possible for us to consider other types of work. Today, we are delighted to be a part of this new opportunity for Maine."

Cianbro will also employ other local subcontractors in addition to Bath Iron Works, including heating, ventilation, and air conditioning (HVAC); fire protection; pipefitting and electrical suppliers; and more. Over 300 skilled people are expected to work on this project performing structural fabrication and welding, pipefitting and pipe welding, and electrical work. A local naval architect has been hired to assist the project. Cianbro will also rent space at Portland Ocean Terminal.

Capt. Jeff Monroe, Portland's director of ports and transportation, said, "The city is thrilled to once again partner with Cianbro on another important maritime project for our waterfront. This underscores our continuing need to have flexible marine infrastructure to meet the needs of our maritime community."

Along with jobs for Maine workers, the local economy will also receive a boost from members of Hornbeck's project management team, their engineers, and other offshore professionals employed by the project. Local hotels, restaurants, airports, and other merchants will experience the positive impact these project members will have on the state of Maine.

Todd Hornbeck, chairman, president and CEO of Hornbeck Offshore Services, said, "We are very excited about moving into the conversion phase of this innovative project. This represents the culmination of a three-year effort by our in-house engineering team to design a multi-purpose supply vessel with 'Swiss Army Knife' capabilities that, we believe, will revolutionize the offshore support services industry. The HOS 370s will be unlike any vessels currently working in the U.S. Gulf of Mexico, in that they are designed to have multiple U.S.C.G. certifications and ABS class notations. In addition to traditional offshore supply vessel capabilities, the HOS 370s are designed to support offshore construction, subsea well intervention, ROV operations, pipeline commissioning, pipe-hauling and flotel services, to name a few. We look forward to working with Cianbro and its team of sub-contractors in Maine to make this MPSV conversion project a huge success."

About Hornbeck Offshore Services

Hornbeck Offshore Services is a leading provider of technologically advanced, new generation offshore supply vessels (OSVs) serving the offshore oil and gas industry, primarily in the U.S. Gulf of Mexico and in select international markets. The focus of Hornbeck's OSV business is on complex exploration and production activities, which include deepwater, deep well and other logistically demanding projects. Hornbeck is also a leading transporter of petroleum products through its ocean-going tug and tank barge segment serving the energy industry, primarily in the northeastern United States and Puerto Rico. For more information, please visit www.hornbeckoffshore.com.

About Cianbro Corporation

Cianbro is one of the East Coast's largest civil and heavy industrial construction companies. Employee-owned, Cianbro is headquartered in Pittsfield, Maine, and serves the eastern seaboard from offices in Pittsfield and Portland, Maine, Bloomfield, Connecticut, and Baltimore, Maryland. Cianbro is recognized nationally for its safety and wellness programs. Founded in 1949 by Cianchette brothers Carl, Ken, Bud, and Chuck, Cianbro is one of the most diversified construction companies in the nation with gross annual sales in excess of \$300 million and over 2,000 team members throughout the eastern United States. For more information, please visit www.cianbro.com.

About Bath Iron Works

A GENERAL DYNAMICS COMPANY

Bath Iron Works (Bath, Maine), a leader in surface combatant design and construction, employs approximately 5,600 people. General Dynamics, headquartered in Falls Church, Virginia, employs approximately 72,200 people worldwide and had 2005 revenue of \$21.2 billion. The company is a market leader in mission-critical information systems and technologies; land and expeditionary combat systems; armaments and munitions; shipbuilding and marine systems; and business aviation. More information can be found online at www.generaldynamics.com.

Farmington LMA

Area Definition

The Farmington LMA is made up of Avon, Carrabassett Valley, Central Somerset unorganized, Chester-ville, Coplin Plantation, Dallas Plantation, East Central Franklin unorganized, Eustis, Farmington, Fayette, Industry, Jay, Kingfield, Livermore Falls, Madrid, New Portland, New Sharon, New Vineyard, North Franklin unorganized, Phillips, Rangeley, Rangeley Plantation, Sandy River Plantation, South Franklin unorganized, Strong, Temple, Vienna, Weld, West Central Franklin unorganized, Wilton and Wyman.

Civilian Labor Force Trends

	October 2006	September 2006	October 2005
Civilian Labor Force	17,600	17,470	17,290
Residents Employed	16,690	16,570	16,350
Unemployment	900	900	940
Unemployment Rate	5.1%	5.1%	5.4%

The jobless rate remained unchanged at 5.1 in October. Resident employment increased 120 while the number of unemployed stayed at 900. More unemployment claims were filed in retail trade. Fewer claims were filed in recreational services and manufacturing.

Last October 340 fewer residents were employed and 40 more were unemployed and the unemployment rate was slightly higher at 5.4 percent.

The lowest October unemployment rate on record was 4.8 percent in 2002 and 2000. The highest October unemployment rate was 7.9 percent in 1993.

Since 1990 the lowest monthly unemployment rate was 4.4 percent in September and October 2000 and the highest was 9.8 percent in 1991.

Characteristics of the Insured Unemployed

In October 2006, 20 percent of the insured claimants were separated from construction, 13 percent from manufacturing, and 13 percent were from retail trade.

Firm Update

Closings/layoffs (past 12 months)

Fewer people were employed in telemarketing, auto dealerships, and social services.

The **Knapp Brothers Chrysler Dealership** in Kingfield closed on December 31, 2005 after 95 years in business. The company employed about 16 workers. **Community Concepts** closed its adult day services office on Pleasant Street in Farmington in December 2005.

Bank of America's **MBNA** call center in Farmington closed on March 10 and 95 workers lost their jobs.

Expansions (past 12 months)

Over-the-year, job gains were reported at: Wal-Mart in Farmington; BE&K Construction in Jay; Nichols Custom Welding, Nichols Development LLC, ICT Group, Care and Comfort in Wilton; The Opportunity Center in Avon; and Carrabassett Soap in Kingfield.

The **Saddleback Mountain Ski Area** in Sandy River Plantation was sold in September 2003 to Archie Berry Jr. of Farmington for \$8 million. In 2004/05 Berry completed construction of a new lodge with a restaurant, lounge, new ski trails, lifts, and condos. In July 2005 the Maine Land Use Regulation Commission approved a \$7.5 million plan to build townhouses (with 54 one, two and three bedroom condos), along with two new ski trails and extending the snowmaking system. Work on those projects was completed in December. **Saddleback is back!**

The **Opportunity Center** opened on October 1, 2004, in Avon in the former Lauri Enterprises building. The center hopes to be a catalyst to create educational and economic opportunities in Northern Franklin County. In November 2005 the center received a \$3,400 grant from International Paper to provide additional occupational training programs in partnership with SAD 58 Adult and Community Education. Current training programs include nursing, masonry, general education development and small business development.

Amy Grant opened the **Carrabassett Soap Co. Outlet Store** on North Maine Street in Kingfield in October 2005. Featured products include hand made soap, candles and alpaca yarn hats, scarves, gloves, mittens, and sweaters.

The **Sugarloaf Mountain Ski Resort** spent \$750,000 in capital improvements last summer on a designer machine, a new parking lot, renovated infrastructure and increased snowmaking capacity. The **Saddleback Mountain Ski Area** added four new trails, 30 chairs to a chair lift, upgraded snowmaking capacity,

constructed two new parking lots, and a new real estate office in the new lodge, and built 30 new condominium units.

Care & Comfort, headquartered in Waterville, opened a new home health and mental health office in the former G.H. Bass building on Maine Street in Wilton in December 2005.

The **Maine Department of Transportation** spent \$2 million on road improvements around the “Height of Land” on Route 17 in Rangeley beginning in the summer of 2006.

The former **Parkview Nursing Home** in Livermore Falls was turned into an independent assisted living center for seniors. The new owners Armand and Katy Madore operate Western Maine Assessment Inc. and have offices in Livermore Falls and Mexico. The couple also owns a residential treatment center for abused children in Woodstock.

Future Economic Development Projects

Officials at **Verso Paper, fka International Paper**, in Jay announced they restarted its No. 1 paper machine in April 2006 to produce rolled pulp that will be shipped to its Bucksport mill. No new employees were added. **The company announced the sale of its coated paper business to CMP Holdings LLC, and affiliate of Apollo Management, for \$1.4 billion.** The deal, which is expected to close in the summer of 2006, includes the two Maine paper mills and one each in Michigan and Minnesota. IP is the world’s largest paper company. It has been selling millions of acres of forest land and has wanted to sell its paper business as earnings were down \$1.2 billion during the first quarter. The four mills will operate under the name of Verso Paper Holdings LLC. IP reported second quarter 2006 profits rose 49 percent. The company’s restructuring plan which includes selling forestland and closing mills and using those revenues to reduce debt and tighten financial operations seems to be working.

The University of Maine Farmington built a \$4.2 million five-story **residence hall** between Lincoln and Perkins Streets. Construction began on the new \$8 million education center located on High and Lincoln Streets. The U.S Department of Education awarded a \$248,000 federal technology grant to UMF for the new education center. Ten smart classrooms will be equipped with wireless internet access and computer ready projectors.

Carrabassett Valley Academy is raising money to expand for a new campus. A 22-acre site was purchased at the bottom of Sugarloaf Mountain. Plans call for new athletic fields, dormitories, dining facilities and administrative building.

Wilton Selectmen appropriated \$5,000 toward the marketing of the **Bass Distribution Center** on Weld Road. The Wilton Development Corporation wanted to develop and market the 291,000 square-foot building and create diversified job opportunities. The Development group named the building “**Franklin Regional Business and Technology Center.**” The site is located in a Pine Tree Zone. Current tenants include Nichols Welding, ICT Group telemarketing, and a wholesale auto auction business. The Planning Board reviewed five new tenant permit applications on January 5 for Maine Water and Beverage LLC, The Shoe Shop Café, the Birch Tree Group, Maine Screen Printers and Curves. The Franklin Regional Business and Technology Center has changed its name to **Nichols/Bass Business and Technology Center.**

Poland Spring Water negotiated with the Town of Kingfield to build a new \$60-80 million bottling plant that would employ 200 off Route 27. The company started a pumping station in Pierce Pond Township last year and is looking to get permits for another pumping station in Dallas Plantation. **The Kingfield Planning Board approved the plan for the plant on October 19, 2006.** The company still has to

go through a permitting process with the Department of Environmental Protection regarding environmental issues before it starts building. The new plant could open in early 2008.

The **Fairbanks School** on Route 4 in Farmington is being renovated. The Fairbanks School Neighborhood Association is raising \$105,000 which will be matched by a USDA grant of \$300,000. It is hoped that the renovations will accommodate a licensed facility featuring small cottage industries that will promote food products in addition to the established food closet that has been operating for years

The **Greater Franklin Development Corporation** purchased the former MBNA building from Bank of America with a loan and help from a grant from the Franklin Savings Bank in July. GFDC hopes to bring 100 jobs to Farmington.

The Land Use Regulation Commission (LURC) approved Phase One of a \$150 million 10-year **Saddleback Ski Area** expansion plan. The ski area received approval to build 18 new condominiums and five house lots. The Phase One approval also included roads, parking, and utilities. The ten-year plan calls for as many as 275 condominiums, 310 condominium time share units, 165 house village lots, 40 room inn near the existing base lodge in 2009, and a hotel with 60-100 rooms in 2014, two new day-use lodges, three new ski trails, and additional lifts.

The Town of Strong received a \$10,000 community block grant in July that will be used to brainstorm ideas on what to do with three vacant sites that closed for future economic development. Those sites are Cousineau Lumber, Strong Wood Turning and Forster Manufacturing.

The Land Use Regulation Commission held public hearings in August regarding the proposed Redington Wind Farm project.

Androscoggin Bank is building a new 3,360 square-foot full service bank on Route 4 in the Jay Plaza. The new bank is expected to open in the spring of 2007. It will be staffed by current employees now located at a smaller branch on the Riley Road.

Lewiston-Auburn MSA

Area Definition

The Lewiston-Auburn Metropolitan Statistical Area (MSA) is comprised of Auburn, Buckfield, Greene, Hartford, Hebron, Leeds, Lewiston, Lisbon, Livermore, Mechanic Falls, Minot, Poland, Sabattus, Sumner, Turner, and Wales.

Metropolitan Statistical Areas were defined by the U.S. Office of Management Budget based on new standards and Census 2000 Commuting Patterns. Metropolitan Statistical Areas have at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.

Civilian Labor Force Trends

	October 2006	September 2006	October 2005
Civilian Labor Force*	58,100	57,100	57,600
Residents Employed	55,600	54,600	55,000
Unemployment	2,500	2,500	2,600
Unemployment Rate	4.4%	4.3%	4.5%

* Numbers may not add due to rounding

The local jobless rate increased slightly by one-tenth of a percentage point to 4.4 percent in October. Between September and October resident employment (those people who lived in the area and worked anywhere) increased by 1,000 to 55,600. Unemployment stayed at 2,500. More unemployment claims were filed from manufacturing, construction, and accommodation and food services. Fewer claims were reported in professional and technical services and educational services. Seasonal job gains occurred in retail trade while seasonal job losses were reported in leisure and hospitality services.

The October 2005 unemployment rate was higher at 4.5 percent as 600 fewer people were employed and 100 more were unemployed.

MDOL began keeping stats on the L-A Area in 1960. The lowest all-time monthly unemployment rate was 2.6 percent in August 2000. The highest monthly rate ever recorded was 16.4 in July 1983.

The highest October unemployment rate ever recorded in the L-A MSA was 9.3 percent in 1961. The lowest October unemployment rate on record was 2.9 in 2000.

Characteristics of the Insured Unemployed

Characteristics of the insured unemployed (weeks compensated for those people collecting state unemployment checks) for the month of October showed that 19 percent were separated from retail trade, 17 percent from manufacturing, 17 percent from construction, and 11 percent were from healthcare and social assistance.

As far as occupation of separation, 20 percent were separated from construction, 18 percent were separated from office and administrative support, 14 percent from production occupations, and 11 percent were from sales.

Sixty-two percent of the insured claimants were male compared to 57 percent last month. As far as of family responsibility, 50 percent of the claimants said they were their family's principal wage earner, 32 percent lived alone, and 18 percent were secondary earners.

As far as reasons for unemployment, 52 percent of the claimants said they were on temporary layoff, 34 percent said they left their jobs voluntarily, and 14 percent were on permanent layoff. In terms of educational attainment, 56 percent had a high school education and 32 percent had post-secondary educations. Ten percent of the claimants were veterans compared to 12 percent last month.

Nonfarm Employment Jobs (jobs physically located in the area)

Nonfarm jobs increased by 700 to 49,200 in October with seasonal employment gains in retail telemarketing and more jobs at the Wal-Mart Distribution Center in Lewiston and the new Kohl's Department Store in Auburn. Over the month employment gains were recorded in retail trade (+500), manufacturing (+100), warehousing (+100), professional and business services (+100), education and health services (+100), and local government (+100). Seasonal job losses occurred in leisure and hospitality (-200). The information sector lost 100 jobs.

Total nonfarm jobs increased by 900 over the year. The warehousing industry added 400 jobs because of the opening of a second warehouse at the Wal-Mart Distribution Center in Lewiston last summer. The leisure and hospitality sector also added 200 jobs as several new restaurants opened in the area in late 2005 and in 2006. Retail trade gained 200 jobs. Education and health services expanded with 200 new jobs. Professional and business services added 100 jobs. Employment in the manufacturing sector fell by 200.

NONFARM EMPLOYMENT ESTIMATES (In Thousands)
LEWISTON-AUBURN MSA (Place of Work Jobs)

Industry Title	Oct. 2006	Sept. 2006	Oct. 2005
Total Nonfarm	49.2	48.5	48.3
Total Private	43.3	42.7	42.4
Goods Producing	8.9	8.8	9.1
Service Producing	40.3	39.7	39.2
Private Service Providers	34.4	33.9	33.3
Natural Resources & Construction	2.8	2.8	2.8
Manufacturing	6.1	6.0	6.3
Trade, Transportation, Utilities	10.3	9.7	9.7
Wholesale Trade	1.4	1.4	1.4
Retail Trade	6.9	6.4	6.7
Transportation, Warehouse, Utilities	2.0	1.9	1.6
Information	0.7	0.8	0.7
Financial Activities	3.2	3.2	3.2
Professional & Business Services	5.0	4.9	4.9
Educational & Health Services	10.3	10.2	10.1
Leisure & Hospitality	3.6	3.8	3.4
Other Services	1.3	1.3	1.3
Government	5.9	5.8	5.9
Federal	0.3	0.3	0.3
State	0.9	0.9	0.9
Local	4.7	4.6	4.7

Firm Update

Closings/layoffs (past 12 months)

Several firms closed or experienced layoffs over-the-year. **Maine Wood Artisans** on Depot Street in Buckfield closed in October 2005 with a final layoff of 7. The company produced wooden children's furniture. **Bradco Chair** closed in Lisbon and 18 people lost their jobs in November. The company made high-end wood furniture specializing in chairs for businesses, offices, libraries, colleges and homes. **Paul Rodrigue Jewelers** closed in January 2006 and five workers lost their jobs. The **Bill Davis Luncheonette** in Lewiston closed in January 2006. The **Carriage House** card/gift shop on Lisbon Street in Lewiston closed in January. **L.L. Bean** closed its temporary factory store in the former Ames building on East Avenue in mid-February. The **Book Burrow** on Center Street in Auburn closed at the end of February. **Emergency Vehicles of Maine Inc.** closed in Lewiston in March with a loss of about 17 workers. The **Camera Service Center** on Center Street in Auburn closed in July. **Just Joan's Café** closed in Lewiston in July. **Court Street Deli** in Auburn closed in July. **Pontbriand's Hardware** in New Auburn closed on September 1. The family owned business which operated for 79 years succumbed to the new big box stores. The **Pizza Hut** on Lisbon Street in Lewiston closed in October. **Northern Mattress & Furniture** closed in Auburn. **Aubuchon Hardware** closed its Lisbon Street store in Lewiston in October. The **Midnight Blues Club and Restaurant** closed in Auburn on October 21.

According to a Sun-Journal story on November 8, the Great Falls Grill Restaurant at two Great Falls Plaza closed in Auburn and 14 people lost their jobs. In Lewiston, the Korn Haus Keller Restaurant closed in November after 30 years of operation. Owners said the closing was due to several new national

chain restaurants moving into the area. About 20 employees worked at the restaurant. (Sun-Journal 11-11-06)

Fewer people were employed in manufacturing.

Expansions (past 12 months)

In Auburn some of the over-the-year job expansions took place at General Electric, CJ Banks, LongHorn Steakhouse, Ruby Tuesday, Quiznos, the Dollar Tree Store, Harriman Associates, Tim Horton Restaurants, Great Falls Marketing, Argo Marketing Group, Gifford's Ice Cream, Auburn Crossing Retail Development, K-Mart, and Kohl's Department Store.

In Lewiston some of the job gains were reported at the Wal-Mart Distribution Center, Northeast Bank, Androscoggin Bank, Sears, Fish Bones Restaurant, New China Super Buffet, Espo's Trattoria, Tim Horton's, Pine Tree Tele-Services, Marco's, Central Maine Medical Center, Sisters of Charity Health System, Andover College, Per Se Technologies, TD Banknorth Insurance Agency, Physicians Professional Management, Tri-County Mental Health, Bates College, and Global Spectrum at the Androscoggin Bank Colisee.

In Auburn, **Tim Horton's** opened two new restaurants at 848 Minot Avenue in October and 458 Center Street in November. The Center Street site seats 60 customers and employs 20.

A new **Dollar Tree** store opened in part of the vacant old Service Merchandise store in the Auburn Plaza in October. Renovations were completed on 12,500 square-feet of space.

LongHorn Steakhouse built a new 5,600 square-foot restaurant that employs about 25 at the corner of Turner Street and Mount Auburn Avenue. It opened in March 2006.

The **Auburn Public Library** reopened in May after undergoing a \$7 million expansion.

Ruby Tuesday opened a new restaurant on a 14-acre lot on Turner Street in May. The new 5,000 square-foot restaurant seats 280 people and employs around 90.

Concord Group Insurance opened its new 15,000 square-foot \$2.5 million office building in the Kittyhawk Industrial Park for its 34 employees in July 2006.

Argo Marketing Group relocated/expanded from Hotel Road to the Engine House on Court Street. The telemarketing firm's feature products are Winsor Pilates and Dual Action Cleanse.

Great Falls Marketing on Mill Street in new Auburn planned to hire 30 more workers in May and June.

Quiznos opened a new restaurant on Center Street.

The **Auburn Mall** was sold by Equity Property and Development to George Schott for \$14.5 million on December 1, 2005. **C.J. Banks**, a clothing store for women size 14 and up, opened in May.

The new \$10 million **Park Street Elementary School** in Auburn was completed in June. The new school replaces the old Lake Street School.

The **Twin City Times** newspaper moved from Lisbon Street in Lewiston to the former New Auburn Federal Credit Union on Dunn Street in New Auburn in July.

Gifford's Ice Cream opened a new ice cream stand at 910 Minot Avenue in Auburn in July. It employs about 20 seasonal workers.

The **Auburn Crossing Retail Development** opened off Washington Street in Auburn in August near the turnpike exit. The building includes a Dunkin Donuts, Subway, Mobil, and Crossroads Market.

Western Maine Transportation Services opened its new 10,000 square-foot customer service center and maintenance facility on the Merrow Road in September.

Kohl's built a 98,000 square-foot store on the site of the old Wal-Mart that opened on October 1. The new department store employs over 150.

In Lewiston, **Wal-Mart** finished building the second phase of a \$60 million 850,000 square-foot mechanized distribution center on a 130-acre site at 31 Alfred Plourde Parkway last summer. **Phase One was the construction of a dry goods warehouse that opened in July 2005. Phase Two called for the construction of a refrigerated warehouse which was completed in July 2006.** The new distribution center is expected to have an annual payroll in excess of \$12 million. About 500 people are currently employed. Wal-Mart took job applications for 250-300 jobs for the second warehouse. Most of the jobs were for order fillers starting at \$13.25 per hour, lift drivers at \$13.25, and maintenance mechanics at \$16.25.

The **City of Lewiston** took over the former Civic Center and renamed it **The Colisee** and invested \$2.5 million to upgrade it. Then the City invested \$2 million to expand the front of the facility with **Maineiacs** team and ticket offices, concession area, and VIP room. In July 2006 the City began an \$800,000 renovation project installing new ice equipment, new bathrooms, a concert stage, and a new Olympia ice resurfacer. Lewiston Maineiacs tickets are on sale for the 2006-07 season at the Androscoggin Bank Colisee office or on line at <http://lewistonhockey.com>

Per-Se Technologies won a new contract with Lovelace Sandia Health System of Albuquerque, New Mexico in 2005. As a result, Per-Se added between 80-100 new jobs. Per-Se (based in Atlanta) provides revenue management services for hospitals and doctors across the nation with specialized software for coding and billing services.

Fish Bones American Grill opened a new 4,700 square-foot fish restaurant in the Bates Mill in October. The restaurant seats 80 and employs 15-20.

Marco's Restaurant reopened at the former Car Test Building in the Sparetime Business Park on Molli-son Way in December with about 25 employees. The old restaurant on Lisbon Street closed in July 2004 after being heavily damaged by fire.

Espo's Trattoria Restaurant opened in December in the first floor of the old Central Maine Power of- fice building on Main Street. The second floor houses a phone marketing firm called **Pine Tree Tele- Services**.

Diamond Pheonix landed a multi-million contract with Zappos.com to build the largest carousel shoe system in the world for the e-tailers Louisiana warehouse. The system will have 120 horizontal carousels measuring 7-feet high and will hold 1.5 million shoes. Diamond hired eight more professionals as a result of this new contract.

New China Super Buffet opened in the old Ames Dept. store at the end of November. The new Chinese restaurant occupies 10,000 square-feet of the 63,000-foot space. L.L. Bean opened a temporary seasonal factory store Clearance Center in the Ames building in early November.

Oxford Networks opened a new \$1.8 million corporate office switching station on Lisbon Street in October 2004. The telecommunications company offers telephone, cable, and high speed internet services. A total of 15 jobs were created and 60 jobs came from consolidating existing jobs at other locations. In November 2005 the company announced it will expand fiber optic cable network to 400 additional businesses and 1,000 more homes in Lewiston and Auburn.

The **Steel Service Center** moved to the former Bob's Discount Store on outer Lisbon Street in May 2006. The firm's old location (the old train depot on Bates Street) could be developed into retail or office space.

Pine Tree Teleservices is adding 15 to 20 telemarketers at its Main Street office to sell more nutritional and health care products.

McIntosh Tuttle Cabinetmakers, designers and producers of high-end cabinetry, expanded to a second floor location in the Hill Mill Building to establish a welding and metal fabrication workshop in May.

Tim Horton's built a new 50 seat 3,000 square-foot restaurant on the corner of Sabattus and Stanley Streets and opened in July.

Andover College expanded its campus across Lisbon Street to the Good Shepherd Food Pantry building in order to accommodate 100 more students. This new building includes classrooms, lounges and laboratories. The college's enrollment has gone from 70 students (when it opened in March 2004) to over 400.

TD Banknorth Insurance Agency opened a new office staffed by eight sales representatives at 124 Lisbon Street in Lewiston in July.

Physicians Professional Management Corp. (a medical billing company) moved to a portion of the former Ames department store on East Avenue in late July. The building has 40,000 square-feet of remaining space.

The City of Lewiston held a press conference on September 14 to announce that half of the **Bates Mill Space** owned by private investors Tom Platz and Pat Maiorino has been renovated and nearly occupied.

The **Carriage House Café** on Lisbon Street in Lewiston expanded its banquet room to 1,500 square feet which will accommodate up to 115 people.

Tri-County Mental Health opened a new office at 230 Bartlett Street in Lewiston consolidating its 24-Hour Crisis Services and Assertive Community Treatment programs. The 15,000 square-foot building will employ about 50 workers.

A new gas station/Dunkin Donuts development project was built on Route 4 in **Turner** near the Chickadee Restaurant.

Future Economic Development Projects

In Auburn developer/architect **Tom Platz** announced in 2000 that he would build up to four new commercial/office buildings in the Great Falls Plaza Area over the next few years. The buildings will be worth over \$40 million and house about 300 jobs. Construction on the first **office building** on Turner Street could begin in 2006. The 60,000 square-foot commercial building will be valued at \$7 million and will house the new Bangor Savings Bank (50 new jobs), physician's offices, and other offices. The City Council voted 4-3 to build a new \$5 million municipal parking garage near the new office buildings and Hilton hotel. A land swap was also approved between the City and Mr. Platz. **If the parking garage is not built by the City then Mr. Platz said he will only build the \$7 million office building.**

The Auburn City Council voted unanimously to bond \$3 million to build a new 144-acre **industrial park** adjacent to the Auburn Airport on land owned by the Auburn Business Development Corporation.

Safe Handling announced plans to build two warehouse and seven rail sidings valued at \$10 million on a 147-acre parcel across from the Auburn-Lewiston Airport in Auburn. The two warehouses will encompass 250,000 square feet and will store freight delivered from rail or truck. Seven new rail sidings will connect with the St. Lawrence & Atlantic Railroad and the Canadian National Railroad. The project is called "The Port of Auburn." The company is also going to partner with the University of Maine for a feasibility analysis to possibly build a multi-million forest products biorefinery. In July 2006 Governor Baldacci presented a \$150,000 check to Safe Handling for its Municipal Track project.

The **Hilton Garden Inn** announced plans for a 36-room addition in November 2005. The project should be completed this fall. Construction started in July. The hotel currently has 108 rooms.

The **City of Lewiston** plans to revitalize 30 blocks of a downtown neighborhood. Mayor Lionel Guay called held a press conference on June 10, 2004, to announce the "**Heritage Initiative.**" It's a 10-year plan to improve the quality of life in the area bounded by Adams, Avenue, and Park, Bartlett and Pine Streets. The goals of the initiative are to reduce crime, improve housing, and increase the value of property. Financing will come from the cities Community Development Block Grant fund it receives annually from the federal government.

Community Concepts plans to build a new office building and 30-units of affordable senior housing in the district on the old St. Dom's high school site. Construction of the office building is expected to begin in 2007. The non-profit social service agency will consolidate employees from other local offices and house about 100 employees in the new office building. Concepts executive administrator Matt Smith said CC expects to make about \$15 million in investments in the neighborhood

Androscoggin Savings Bank relocated its loan processing, deposit and information technology divisions to the second floor of **Bates Mill No. 6**. The move cost over \$700,000 and brought 40 employees to the new 17,000 square-foot space in the Bates Mill Complex. Bank officials said 10-12 additional employees may be hired as the bank expands. The Bank also purchased naming rights to the Colisee for the next 10 years. It is now known as the **Androscoggin Bank Colisee**.

Max Finkelstein Inc. is building a 101,000 square-foot \$5.2 million wholesale tire warehouse distribution center employing 30 in the **Gendron Business Park**. The company was founded in the New York area and distributes Goodyear, Dunlop and Republic Tires. Four of the five lots of Phase One at the Gendron Park have been committed to Finkelstein, Fed Ex, Fielding Oil, and an unnamed company. Phase Two development is set to begin with storm water work and the development of 5-6 lots.

The City of Lewiston held a press conference on September 15, 2005 to announce that **KGI Properties Inc.**, a Rhode Island developer, is committed to bringing tenant to the turnpike development on land near Exit 80. KGI will bring a yet to be named **BIG BOX Retailer** to locate on a 40-acre parcel. The City also announced another developer is interested in an adjacent 30-acre site.

Protea Behavioral Health Services and Sweetser announced in November that they would be opening an office at the former McCrory's department store on Lisbon Street. The building is being renovated and Sweetser may move in early 2007.

The **Androscoggin Chamber of Commerce** raised \$500,000 for their portion of renovation costs of the Pontiac building on Lisbon Street in the Southern Gateway for the new KeyBank Business Service Center

that will also house the Lewiston-Auburn Economic Growth Council. The building should open in November 2006.

The Lewiston School Committee had the 50-year old **Farwell School** demolished. The old K-6 school served 320 students. A new \$10.7 million 53,000 square-foot two-story school is being built. It will accommodate 425 students when it opens in September 2007. All but \$566,000 of the \$10.7 million will be paid by the State.

Bates College is building a \$17.5 million 21,376-square-foot 150-bed dormitory on College Street that is scheduled to open in September 2007. The college is also building a 60,000 square-foot \$30 million dining hall with meeting spaces off Central Avenue. It is expected to open in January 2008.

TD Banknorth held a press conference at the Bates Mill on January 13, 2006 to announce a \$7 million expansion that is expected to add 100 new jobs and increase the present office space by 60,000 square-feet on the first, second, and third floors of building #3. The expansion is the result of the Hudson United Bancorp acquisition.

**NOTE: THE TIMETABLE FOR THE ISLAND POINT PROJECT
WAS DELAYED ON 12/20/05
FROM: THE CITY OF LEWISTON**

For Immediate Release

For more information:

Travis Soule
SOLO Properties
926-5424

Greg Mitchell
Assistant Lewiston City Administrator
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\$21.5 Million Island Point Project Announced in Lewiston

Lewiston- In the mid 1800's the power of the Great Falls of the Androscoggin River attracted investors to the community. Lewiston's first textile mills were built at the base of the falls. From this beginning, the city grew. The river has done it again, but this time it is not the potential of water power that holds the attraction, but the beauty of the river that captures the imagination.

On January 20, SOLO Properties and city officials announced *Island Point*, a \$21.5 million mixed used redevelopment project in the City's Western Gateway. The project will be built in three phases and will include residential, restaurant, office, retail and hotel uses. An outdoor performance space is also planned.

Phase I will include the redevelopment of the former CMP office building, located at 134 Main Street, for use by a full service restaurant at street level and for office uses in the upper floors. It will also include the redevelopment of the Cowan Mill into market rate condominiums and a full service restaurant (Esposito's). Private sector redevelopment costs for the building were estimated at \$500,000. The Cowan Mill, built in 1850, is on the site of the first cotton mill in Lewiston. It is located on the riverbank at the base of the falls. It is 6 stories high and 60,000 s.f. in size. Plans call for a full service restaurant on the

waterfront level. Upper floors will be redeveloped into as many as 30 residential condominiums. The private sector redevelopment cost is estimated at \$6 million.

Phase II of the project will be the redevelopment or replacement of the Libbey Mill into market rate residential condominiums and retail.

The first Libbey Mill building was built in 1846. Over its long history, cotton, wool, and rubber coated fabrics were woven at the Libbey Mill. The size of the complex grew. However, it was also devastated by several structural fires, the most recent of which was in 1999.

Only one Libbey Mill building remains. The City owns the Libbey Mill through property tax default acquisition. The intent of the developer and the City is for that building to be redeveloped. However, if a structural assessment of the building determines redevelopment is not a viable option, the building will be demolished and a new one constructed. Private sector Phase II project costs are estimated at \$5 million.

Phase III of the project will include expansion of the Libbey Mill to include market rate condominiums and/or a 125 to 150 room high quality hotel. The minimum Phase III project costs are estimated at \$10 million. Development of the hotel will be dependent upon market conditions. The City has announced plans to develop a portion of Bates Mill No. 5 into a convention center.

When the three phases are complete, the total minimum private sector investment will be \$21.5 million. The City of Lewiston will invest in public parking, road and streetscape improvements in support of the Island Point project and other downtown redevelopment. The City will also provide loans and grants through existing city programs. Total City investment is estimated at \$7.5 million, \$6.3 million of which is public infrastructure investment.

The two principals of SOLO Properties are Travis Soule and Vince Lobo. Speaking at the project announcement Mr. Soule said, "I have done projects throughout Maine and in several cities in Texas and the Midwest. No project has captured my attention or enthusiasm like this one has. The existing architecture is wonderful. You can't get any closer to the water. This is the premier site in the state of Maine for this type of project."

Mayor Lionel Guay said, "This project provides spectacular views, access to green space and the river, and is walking distance from premium health care, educational resources, and a downtown that has had \$164 million in new investment since 2000. This project is in the midst of it all, but feels like it is away from it all."

Robert Esposito, the third generation to run his family's restaurants, was excited at the opportunity to open in a new market. "Lewiston-Auburn is the second largest metropolitan area in Maine. It is a significantly under served, growing market. We are excited to have this opportunity to stay close to our Portland roots but come to Lewiston-Auburn and offer people another quality dining choice."

Central Maine Community College in Auburn is building a \$5.2 million dormitory that is scheduled to open in 2007.

KeyBank is building a 3,300 square-foot Keycenter branch building in the parking lot at 20 East Avenue. The new branch should open in the fourth quarter of 2006.

The Auburn City Council approved a Tax Increment Financing Package (TIF) for developer George Schott that included the Longhorn Steakhouse, Ruby Tuesday's, and Kohl's on September 26, 2005. A \$5 million Turner Street road improvement bond was passed by the Auburn City Council on July 17. This

should pave the way for more retail development in the area. **T.G.I. Friday's** will be building a new restaurant in Auburn. **Best Buy** signed a lease for a 20,000 square foot retail store off Turner Street and Mount Auburn Avenue to be built by developer George Schott. The store should employ at least 80 people.

Cash Energy, of Scarborough, is expanding to Lewiston. Owner Les Thomas purchased five acres in Lewiston's new industrial park and plans to build a storage and distribution center and open a call center to sell No. 2 heating oil to L-A area customers. The new business should open in September.

Barnie's, (coffee chain), will open a 2,000 square-foot coffee house in Bates Mill No. 6 in Lewiston in December.

The **Town of Poland** voted to create a downtown Tax Increment Financing district at its annual town meeting in April 2006.

Estes Express, a nationwide trucking firm headquartered in Richmond, VA with 181 terminals in the U.S., is building a \$3 million 15,000 square-foot facility on a 13 acre site along the River Road in South Lewiston close to the Maine Turnpike and Foreign Trade Zone. The company employs 13,700 people in North America. It currently operates a terminal in Scarborough which will close and 35 employees will be relocated to the new Lewiston facility.

Androscoggin Bank is planning to relocate its 670 Turner Street branch bank in Auburn across the street in the new Mt. Auburn Plaza next to Ruby Tuesday and the LongHorn Steakhouse in early 2007.

Bed Bath & Beyond is expected to move into a 20,000 square-foot space in the former Service Merchandise Store at the Auburn Plaza on Center Street in early 2007. The merchandise store is known for its bedding, home décor, towels, table linens, china, flatware, organizational accessories and gift ware. The Auburn Plaza is owned by GFI Partners.

Red Robin is expected to build a new 6,350 square-foot 212 seat restaurant in front of Kohl's.

The **Auburn City Council** passed a **\$5 million road improvement bond** in August to relocate utilities, and widen roads around the Mt. Auburn Avenue and Turner Street retail developments for future development.

Davinci's Restaurant will move from its current location in the front of the Bates Mill to the corner in Storehouse 2 on Chestnut Street next spring. The move is also an expansion for the popular eatery in that it will add 50 seats and five new employees.

The **Town of Poland** voted to create a downtown Tax Increment Financing district at its annual town meeting in April. Also in Poland, **KP Realty LLC** has begun the development of a **new retail commercial facility** on Route 26 (Former Just Friends Restaurant site). The retail commercial development is planned to grow up to 24,000 square feet. There is currently an agreement with Dunkin Donuts to lease space in the new development. Also developer Joe Cimino purchased the old Wayside Inn on Route 26 and hopes to restore the Inn and put in a retail strip mall that could employ 50-75 people. This project still needs Planning Board approval.

L-A College is building a new \$2.5 million 14,000 square foot Learning Center in Lewiston.

A 20,650 square-foot inline **retail center and restaurant** site is being built at 600 Turner Street in Auburn next to Lowe's Home Improvement.

The Auburn City Council passed a new Tax Increment Financing plan for the proposed **Auburn Mall expansion** on October 30. Mall owner George Schott plans to renovate the existing 300,000 square-foot mall and build 130,000 square-feet of new retail space around the mall. Tax revenues from Lowe's, Lamey Wellehan, and future developments through 2021 along Turner Street Area will help pay for road improvements in the area.

World Harbors Inc., a manufacturer of fine marinade cooking sauces, is building a 20,000 square-foot expansion to its existing 20,000 square-foot production plant at 176 First Flight Drive in Auburn.

Rumford Labor Market Area

Area Definition

The Rumford LMA includes Andover, Bethel, Byron, Canton, Carthage, Dixfield, Gilead, Greenwood, Hanover, Lincoln Plantation, Magalloway Plantation, Mexico, Milton unorganized, Newry, Peru, Roxbury, Rumford, Upton and Woodstock.

Civilian Labor Force Trends

	October 2006	September 2006	October 2005
Civilian Labor Force	9,820	9,710	9,950
Residents Employed	9,150	9,030	9,270
Unemployment	670	680	680
Unemployment Rate	6.8%	7.0%	6.8%

The local jobless rate decreased from 7.0 percent in September to 6.8 percent in October because of seasonal job gains in recreational services. The number of residents employed increased by 120, while the number of unemployed residents fell by 10. Fewer unemployment claims were filed in recreational services, retail trade, and construction. More claims were filed in accommodation and food services.

Records for this area go back to 1975. The lowest monthly unemployment rate ever recorded here was 3.1 percent in August 1987 and the highest was 15.5 percent in March 1975.

The highest October unemployment rate on record was 9.8 percent in 1975. The lowest October unemployment rate was 4.6 percent in 1987.

A year ago in October, 120 more residents were employed and 10 more were unemployed and the local jobless rate was the same at 6.8 percent.

Characteristics of the Insured Unemployed

In October 2006, 24 percent of the insured claimants were separated from construction. 14 percent from healthcare and social assistance, 12 percent from accommodation and food services, and 11 percent were from retail trade.

Firm Update

Closings/layoffs (past 12 months)

Fewer people were employed in wood and paper manufacturing, and social services

Bethel Furniture Stock closed after 47 years in business. The firm produced glued panels. A total of thirty-two workers lost their jobs in December.

Tiny Bill's Discount Store in the former Ames Dept. Store in the River Valley Crossing shopping center closed in Rumford in September and about 12 people lost their jobs.

NewPage is expected to layoff 50 hourly workers in the first quarter of 2007 as the company's No. 11 paper machine which produces 300 tons of coated free sheet paper a day will be shutdown for three months. The shutdown is down to a decline in market conditions. Three or four affected salaried personnel will be transferred to other salaried openings. (Rumford Falls Times 11-8-06)

Scrappers Domain closed on Canal Street in Rumford in November. The retail store employed 6. (Rumford Falls Times 11-8-06)

Expansions (past 12 months)

Over-the-year job expansions included: Rumford Hospital, River Valley Technology Center, Maine Artisans Wood Gallery, King Wok Restaurant, Western Maine Cleaning Service, the Hotel Harris, Area Driving School, and Island Indulgence Spa in Rumford; Wal-Mart, Family Dollar Store, Generations Health and Fitness, and Photography By Crystal in Mexico; and China One and Bear-ly Inn & Restaurant in Dixfield.

Archie's Inc signed a transfer agreement with the River Valley Growth Council (RVGC) donating the old Diamond Match mill property in Peru. Archie's had been using the complex for storage and warehousing. The mill closed in 1987. It was the Town's largest employer for many years. The RVGC secured federal development monies to rehab four of the buildings on Routes 2 and 108 with rail access to attract needed jobs to the area. The RVGC took over the 80,000 square-foot facility and 7.8 of the 15 acres in December 2003 after receiving a \$300,000 federal grant from Congress to the development of a pyrolysis bio-refinery and super insulated housing project. Archie's owns 7.2 acres. The RVGC was awarded a 122,744 Brownsfield EPA grant in May 2005 to clean up hazardous materials. The organization is also applying for a \$77,000 petroleum grant to clean soils and underground oil storage tanks. The RVGC wants to develop the property for business prospects and a marketing program to possibly sell the property while the cleanup is going on. It still has an option to purchase the remaining acreage. A section of the mill burned on August 14, 2006. But this is not expected to hamper the potential of a sale.

The Maine Winter Sports Center purchased the **Black Mountain Ski Area** in Rumford in 2004. Workers installed a new 1,200-foot ski lift in October 2004. Selectman approved \$500,000 for a sewer extension for Black Mountain for a new lodge. The new 12,000 square-foot lodge was built in 2005. The ski area also installed a new summit triple chair lift. The Mountain's expansion was funded by a multi-million grant from the Libra Foundation.

NewPage Corp. purchased MeadWestvaco in May 2005. The new company is investing \$6.8 million in its No. 15 coated paper machine in order to align the type of paper produced in Rumford with a sister mill in Escanaba, Michigan. NewPage employs 6,300 people at five pulp and paper mills in Rumford; Escanaba, Michigan; Chillicothe, Ohio; Luke, Maryland; and Wickliffe, Kentucky. New page headquartered in Dayton, Ohio, reported that net sales were up 18 percent in the second quarter of 2006 compared to the same period in 2005. The increase was due to an increase in coated paper sales.

The new \$3.0 million **River Valley Technology Center** opened in downtown Rumford in the summer of 2004. The Center is a precision metal trades training facility and business incubator for start-up manufacturing businesses. It also houses offices of the River Valley Chamber of Commerce, the Growth Council, and the CareerCenter. **Northwest Precision Inc.** moved into the Tech Center from Roxbury and became the first tenant in late September 2004. The company makes parts for snowmobiles and telecommunications equipment. **Western Maine Cleaning Service** opened in June 2006 with one job. The Tech Center now employs a total of 13 people. The Fractionation Development Center hired Todd Polanowicz as its new Director. The FDC is working on two projects.

The River Valley Tool Certificate Program is a collaborative effort between the RVTC, Maine Metals Program, Central Maine Community College, and area CareerCenters. Central Maine Community College offers a 29-credit certificate program in machine tool technology.

Rumford Hospital officials announced plans for a \$9 million renovation project over the next five years in December 2003. Phase one and two have been completed.

The **Bethel Airport** underwent a \$629,000 project that added 2.2 acres of paved area.

Jean and Arthur Muse purchased the **Hotel Harris** in downtown Rumford in October 2005 and added a restaurant and a spa.

The **Sunday River Ski Resort** in Newry invested \$2.3 million to upgrade its Grand and Grand Summit hotels, South Ridge and Barker base lodges, and the Snow Cap Inn and Ski Dorm in 2006. The resort also purchased four new grooming machines, added two trails and widened one.

Rumford's Downtown Revitalization meetings began in August 2005. The committee chose a new slogan from a contest it held in September 2006. The new slogan is "Discover Rumford-Gem at the Foot of the Falls."

King Wok, a new Chinese restaurant, opened in the former Freddie's Restaurant on Congress Street in downtown Rumford in December 2005.

The **Maine Artisans' Wood Gallery Store** opened in the Thurston Mill complex on Route 2 in Rumford. The store sells chairs, tables, beds, hutches, kitchen cabinets, stools, guitars, rolling pins, wood framed mirrors, and other wood items.

A new **Family Dollar Store** opened at the former Food City Store site in the Mexico Plaza on July 11, 2006.

The **Bear-ly Inn & Restaurant** opened in Dixfield in July.

Area Driving School Inc. opened on Exchange Street in Rumford in August. Two new businesses opened in Mexico in September. **Generations Health and Fitness** opened on Recreation Drive and **Photography by Crystal** opened on Main Street.

A new boat launch and 51 acre ramp site opened on the Androscoggin River in Canton in September.

Future Economic Development Projects

Brookfield Power of Canada signed an agreement to buy two hydroelectric generating facilities on the Androscoggin River in Rumford from NewPage Corp. for \$144 million.